

**David E. Shultz, Esq.**  
[REDACTED]  
**Westlake, Ohio 44145**  
[REDACTED]

**VIA FACSIMILE AND OVERNIGHT MAIL**

May 11, 2007

Tracey Ligon, Esq.  
999 E. Street Northwest  
Washington D.C., 20463

Re: ~~MUR 5871~~ Betty K. Shultz

Dear Ms. Ligon:

Ms. Shultz requests a recommendation of pre-probable cause conciliation to the Federal Election Commission in this matter. Pre-probable cause conciliation is in the best interest of both parties prior to expending governmental or personal resources that would be better used toward pursuing a conciliation agreement based upon the following.

**Response to Factual and Legal Analysis**

Ms. Shultz is now familiar with the provisions of the Federal Election Campaign Act of 1971, as amended (the "Act"). However, on or about October 30, 2003, the time of the Bush-Cheney '04 campaign fundraiser (the "fundraiser") referenced in this matter, Ms. Shultz was unfamiliar with and unaware of the Act. (See Affidavit of Betty K. Shultz attached hereto as *Exhibit A*). Although Ms. Shultz has been an elected official for approximately 30 years she has never held or run for a federally elected office (See *Exhibit A*), has only held elected offices at the local level, and has never made any other significant donations to a federal campaign. Specifically, Ms. Shultz has only been elected to the Washington Local School District Board of Education and the Toledo City Council.

Ms. Shultz has learned that Mr. Thomas Noe was indicted and plead guilty to charges that he made illegal federal campaign contributions to the fundraiser; but Ms. Shultz did not know how much Mr. Noe and/or his spouse had contributed to the campaign at the time of the fundraiser.

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Further, Ms. Shultz agrees that she accepted a check from Mr. Noe in the amount of \$1,950 that was deposited into an account she controlled. Ms. Shultz planned to write a check out of her campaign account; however, Ms. Shultz relied on Mr. Noe's advice and extensive federal campaign expertise when he asked her to write the check out of a different account so other campaign contributors would not think she was redirecting campaign contributions. This appeared to be a reasonable request to Ms. Shultz at the as she had recently announced she changed her political party affiliation. Additionally, in Ms. Shultz's experience local politicians had routinely attended each other's fundraisers at no cost. Ms. Shultz also relied on Mr. Noe's advice when he requested that she sign a card with her name and social security number because everyone who would be in the room with the President was required to fill out a card for security purposes. He instructed her not to worry about the rest of the card because it was merely a formality. As the Bush-Cheney Chair, Mr. Noe's instructions seemed reasonable.

Mr. Noe was a well-respected business owner and political leader at the time of the fundraiser. Moreover, Mr. Noe was a past political party chairman and the Northwest Ohio Bush-Cheney '04 Campaign Chairman. In fact, Mr. Noe was a key individual in explaining the federal campaign rules to various local volunteers. Therefore, Ms. Shultz relied on Mr. Noe's knowledge and expertise as a political expert. *(See Exhibit A)*

Ms. Shultz has no knowledge regarding the statement that "on January 29, 2004, the Committee filed a 2003 Year End Report with the Commission that 'unknown to Bush-Cheney, '04 Inc.' incorrectly identified Ms. Schultz *[sic]* as the source of a \$2,000 contribution to the Committee." Well after the fundraiser, sometime in early 2005, Ms. Shultz did receive a call from Mary Ward, a local political insider with media connections, telling her of the investigation surrounding Mr. Noe's Bush contributions and that Ms. Shultz was somehow implicated. Ms. Shultz immediately contacted Mr. Noe who assured her that he had cleared the entire transaction with his legal counsel, Jim Tuschman. Ms. Shultz initially accepted this explanation until she received two additional phone calls, one from Tom Troy, a Toledo Blade reporter, again telling her of the investigation and wanting more information about her contribution. She again contacted Noe who again assured her that it was the political gossip mill at work trying to punish her with fear because of her recent party change, but she could consider the money a loan if that would make her feel better.

At the time, Mr. Noe was a trusted political advisor to many local elected officials and one of the few individuals in Northwest Ohio with significant federal campaign experience. The answers he gave to Ms. Shultz at the time seemed reasonable given his position with the Bush-Cheney organization and his claim of having relied upon legal advice from a well-respected lawyer. In contrast, upon being contacted by federal investigators, Ms. Shultz has been truthful and has fully cooperated with the investigation of Mr. Noe.

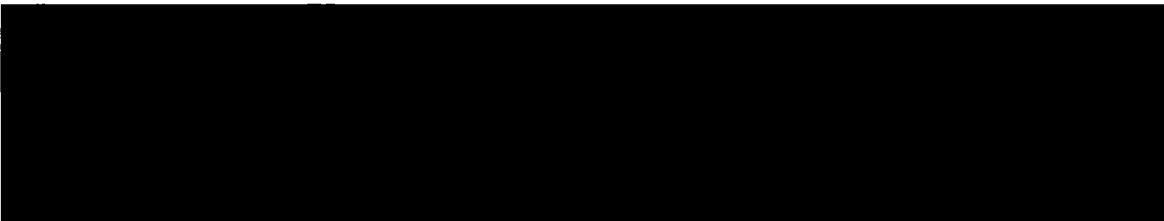
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To restate this in another way, Ms. Shultz did not knowingly and willfully violate any of the federal election laws (see Affidavit). Ms. Shultz's lack of knowledge and erroneous reliance on Mr. Noe does not equate to a knowingly and willful violation.

#### Additional Facts and Analysis

Ms. Shultz has completely cooperated with federal investigators in the prosecution of Mr. Noe. Ms. Shultz retained counsel due to the nature of the claims and she was advised that federal investigators would not pursue any claims against her when she cooperated with them in their investigation.

Moreover, in over thirty years of public service this is Ms. Shultz's first alleged campaign violation. Ms. Shultz voluntarily took this matter to the Ohio Ethics Commission when it was brought to her attention that there may have been a violation. Ms. Shultz has previously been put in jeopardy due to the potential violation and has paid a fine, costs, and legal fees totaling approximately \$20,000 related to this matter, with the majority going to legal fees.



#### Conclusion

For the reasons stated above, Ms. Shultz respectfully requests a recommendation of pre-probable cause conciliation to the Federal Election Commission in this matter. Pre-probable cause conciliation is in the best interest of both parties prior to expending resources in briefs that would be better used toward pursuing a conciliation agreement.

Respectfully submitted,

*David E Shultz /sg*

David E. Shultz, Esq.

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AFFIDAVIT OF BETTY K. SHULTZ

MUR5871

Betty K. Shultz, being duly sworn according to law, deposes and states as follows:

1. That I have personal knowledge of the facts contained herein.
2. I have never run for or held a federally elected office.
3. On or about October 30, 2003 I was unfamiliar with, and unaware of the provisions of the Federal Election Campaign Act of 1971, as amended.
4. Mr. Thomas W. Noe had held various political leadership roles prior to October 30, 2003 and was well respected for his political experience and expertise on or about October 30, 2003.
5. I relied on Mr. Noe's advice and expertise when I made a contribution to and completed forms for a Bush-Cheney fundraiser in Columbus, Ohio on or about October 30, 2003.
6. I did not knowingly and willfully violate any federal election laws, including 2 U.S.C § 441f.

Betty K. Shultz  
Betty K. Shultz

Sworn to before me and subscribed in my presence this 12 day of May 2007.

Reba D. O'Neill  
Notary Public



REBA D. O'NEILL  
Notary Public, State of Ohio  
My Commission Expires 01-08-2011

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